

SENATE BILL REPORT

SB 5581

As of February 10, 1997

Title: An act relating to defining gross receipts from activities under chapter 9.46 RCW.

Brief Description: Defining gross receipts for the purpose of chapter 9.46 RCW.

Sponsors: Senators Schow and Heavey.

Brief History:

Committee Activity: Commerce & Labor: 2/13/97.

SENATE COMMITTEE ON COMMERCE & LABOR

Staff: Traci Ratzliff (786-7452)

Background: Businesses that sell food and beverages and charitable and nonprofit organizations can be licensed to operate punch boards and pull-tabs.

Counties, cities, and towns are authorized to tax operators of punch boards and pull-tabs located within their jurisdictions. Currently, a tax of up to 5 percent can be imposed on the gross receipts generated by such gambling activities.

Summary of Substitute Bill: The practice of taxing punch boards and pull-tabs by local governments is modified. Local governments may impose a tax of up to 5 percent on gross receipts less the amount awarded as prizes and the cost of the games.

Substitute Bill Compared to Original Bill: The original bill was not considered.

Appropriation: None.

Fiscal Note: Requested on February 3, 1997.

Effective Date: Ninety days after adjournment of session in which bill is passed.